

25 September 1963

MEMORANDUM FOR THE RECORD

25X1 1. I called [] on 25 September 1963 regarding
25X1 the attached Report of Audit of [] I told Mr.
25X1 [] that of all the audit reports I had reviewed, the content
of this one is far and away the worst and, if he had not done so, I
intended to bring it to the personal attention of either Dick Helms
or Tom Karamessines.

25X1 2. [] stated he had received the report and
25X1 had spent several hours discussing it with [] and was to
see Mr. Karamessines this afternoon. He commented that action
is already underway to correct deficiencies in the administrative
plan, to improve financial control, and to recover over and improper
payments. He added that in all probability []
25X1 []

25X1 3. I told [] that, in addition to the misuse and
mismanagement of funds, it is my opinion there was gross lack of
supervision and administration of the project as a whole, and I
felt it was high time that appropriate action be taken against respon-
sible officers. He agreed and said he would bring my views to
Mr. Karamessines' attention.

NOTE: Report of action taken by DD/P in this case will be
furnished the IG in the form of a memorandum.

25X1 []
J. S. Earman